

# Prospects For Implementing Services Through Digital Technologies In Commercial Banks

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## Abstract

The purpose of the article is to study the prospects for the introduction of digital services in commercial banks, to study ways to successfully introduce digital technologies for commercial banks, improve customer service, and increase the overall efficiency of banks. In today's digital economy, the introduction of digital services for banks serves not only as a convenience, but also as an important factor ensuring competitiveness. Digital technologies open up new opportunities for banks, create convenience for customers, and reduce operating costs.

**Keywords:** Commercial banks, digital services, fintech, innovative technologies, banks of Uzbekistan, international experience, financial technologies, digital security.

## Introduction

The relevance and justification of the topic of the prospects for the introduction of digital services in commercial banks is directly related to the development of modern financial technologies and changes in customer demand for banking services. Today, digital technologies are rapidly penetrating all sectors of the economy, in particular the banking sector, worldwide. The digitalization of banking services creates an opportunity not only to improve the quality of customer service, but also to reduce banks' operating costs and increase their competitiveness.

The process of widespread introduction of digital services for the banking system of Uzbekistan has been underway at an accelerated pace since 2017. It was in 2017 that the "Digital Economy" concept signed by the President of Uzbekistan was identified as one of the priority areas for the development of the country's banking system based on modern digital technologies. Thus, the banking system began the process of digitization. Since 2018, large commercial banks of Uzbekistan have begun to expand the provision of remote services, in particular, mobile banking and internet banking services have begun to develop actively.

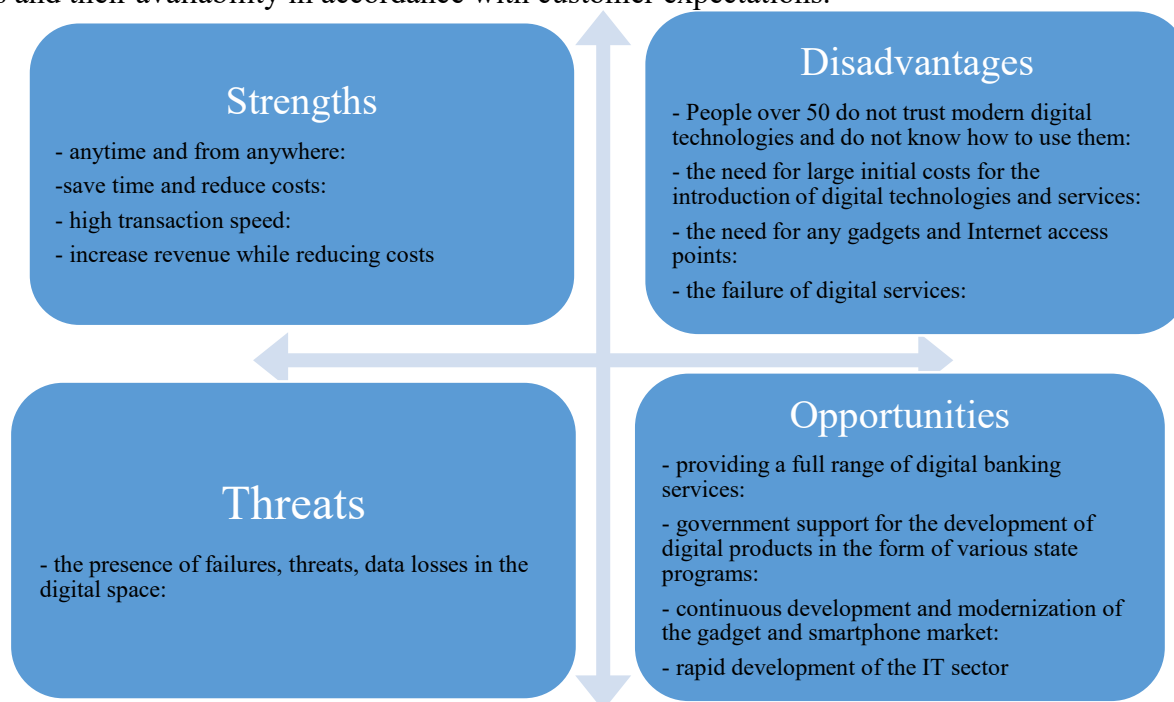
The development of digital services in commercial banks is one of the pressing issues today. The transition of banks to providing digital services allows the financial sector to increase efficiency, create convenience for customers, and reduce operating costs by automating service processes. Digital financial services are also widely developing in Uzbekistan. Mobile banking applications, internet banking, electronic wallets, and payment systems play an important role in this. The "Digital Uzbekistan 2030" program adopted by the government in 2018 has accelerated the digitization process. This program provides for the expansion of financial services on digital platforms. Digital services provide several advantages for banks. First, digital services increase the speed of customer service and allow them to use banking services at any time. For example, since 2015, mobile banking has become widely popular in Uzbekistan, and customers have the opportunity to perform banking transactions via smartphone. This allowed customers to manage their accounts, make money transfers, and pay bills online. In 2017, electronic payment systems such as Payme, Click, and Apelsin introduced digital payment services, and through these systems, customers were able to quickly make payments for various services.

In digital banking, the Internet is the main tool for opening a bank account, transferring funds, setting up direct debits, making remote payments, sending wire transfers and performing other banking operations. All digital banking operations are performed instantly and offer the user a high level of financial management, security and flexibility. To use digital banking services, you need any digital device connected to the Internet. With digital banking, a bank branch is open 24 hours a day, seven days a week. Digital services should be designed to be understandable and easy to use for all users. A digital banking product is a single, regulated

and standardized set of banking offers aimed at meeting the needs of customers using financial technologies and services that meet the requirements of the information and communication environment, the main ones being:

- availability and simplicity;
- compliance with the customer's technological expectations;
- integration with social media features.

Thus, digitalization is a transformation of the classical model of organizing business processes in a bank towards technological innovation through the modification of the business model with information and communication technologies (from contracts to customer service scenarios), changes in tariffs, the content of services and their availability in accordance with customer expectations.



**Figure 1. Digital Banking SWOT Analysis**

It should be noted that the modern consumer no longer perceives loans, deposits, accounts, cards as separate banking products, for which he needs a comprehensive product - a digital bank that offers the consumer a full range of banking services, close financial services, remote access and 24/7 support, the convenience and features of social networks (Figure 1).

In the digital distribution of banking products, we set the following goals: according to the needs of the client (digital banking products are formed not according to the bank's offer, but according to the wishes of the consumer); according to the mobility and speed of transactions (implementation of the principle of "here and now", access from any device or communication channel); according to big data analysis and data-driven services. The possibility of performing a number of banking services remotely via the Internet has led to the fact that the bank does not exist as a physical object (building, etc.). The lack of physical space leads to a decrease in operational and maintenance costs and an increase in the bank's own profit. These factors led to the opening of virtual banks in the USA and Europe from 1995 to 2000, which did not have a single office, and opening and managing an account, as well as obtaining a loan, was carried out exclusively via the Internet.

The introduction and active use of modern digital technologies in commercial banks abroad and in our country is becoming a modern trend in the banking sector and allows them to improve the quality of services provided to users. The digitalization of banking activities strengthens users' trust in local banks and allows local banks to become as active in globalization processes as world banks.

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